FISCAL NOTE SB 995 - HB 1299

April 10, 2003

SUMMARY OF BILL: Amends TCA to provide that in cases where a good faith offer was extended by the employer or its insurance company, the attorney fee will be limited to 20% of the difference between the good faith offer and the final award. Specifies that a Department of Labor and Workforce Development workers' compensation specialist shall certify an offer as a good faith offer.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$282,000 Recurring \$15,000 One-Time

Decrease Local Govt. Expenditures - Not Significant

Estimate assumes:

- an increase in the Department of Labor and Workforce Development for six positions and related expenses to annually certify approximately 10,000 offers of good faith.
- a not significant decrease in expenditures to local governments from a reduction in the number of claims settled instead of litigated.

This bill will not have a fiscal impact to the state's workers' compensation program, since the program is exempt from the provisions of the bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

James a. Lovens